

Testimony of Chairman Matthew J. Amorello
House Committee on Government Reform
April 22, 2005

Mr. Chairman, and members of the Committee, my name is Matthew Amorello and I am the Chairman of the Massachusetts Turnpike Authority. I welcome this opportunity to appear before you to discuss the current management of the Central Artery/Tunnel Project, and the steps we are taking to ensure that this Project fulfills its promise to the citizens, taxpayers and toll payers of this region, and the nation.

My mission upon taking office a little over three years ago was challenging, and I come before you today to say that I believe we have met those challenges, and continue to meet them on a daily basis.

My first mission was to bring order and stability to a demoralized and chaotic Turnpike Authority. We have done that, and today's Turnpike Authority is a well organized, efficient and highly motivated public authority focused on delivering quality services to the people of Massachusetts in a cost-effective manner. In fact, Moody's Investors Service has said that the Turnpike "board has shown strong commitment to rebuilding the authority's financial position."

My second mission was to maintain the cost of this Project and restore credibility to our financial management of the Big Dig. Again, I am pleased to report that we have accomplished these goals. This Project – like all public projects – must be conducted in a transparent and forthcoming manner. I have made every effort since becoming Chairman to ensure that our federal and state partners and overseers have received all of the information they need, when they need it, in order to do their jobs effectively. The Project's budget today is exactly the same as it was when I took office - \$14.625 billion dollars.

I think it might be useful to briefly review where and how these funds were spent:

Approximately \$6 billion for the extension of I-90, including the Ted Williams Tunnel and Fort Point Channel Tunnel, which now connect the Massachusetts Turnpike directly to Logan Airport and points north diverting traffic away from downtown Boston. This part of the Project has dramatically cut drive times to Logan and decreased traffic in the central corridor.

Approximately \$8 billion has been spent building: the new tunnel and ramps from Charlestown and I-93 to the Tobin Bridge and Route 1; the Zakim Bridge, and ramps connecting Storrow Drive and I-93; and of course the construction of the I-93 tunnels, which are still being completed beneath the city. This project has expanded capacity and eliminated a dangerous choke point for motorists traveling through the city. It is expected to reduce carbon monoxide levels in the Metropolitan Boston area by 12%, and has removed the elevated highway which for 50 years separated the city's financial and historic centers from its waterfront, and several of its neighborhoods. In addition to holding the budget, we have taken several initiatives to protect this public investment, including the first meaningful effort in the history of the Project to recover costs for design errors and omissions.

My third mission was to ensure that the Project did not lose sight of its primary objective: to replace the old ineffective highway network which threatened to destroy mobility and economic growth in this city and region, with a modern, safe and efficient interstate highway system for those who live, work or visit New England. I am pleased to report that we have opened almost every major component of this Project to the public, who are now enjoying the benefits of this important public investment. In 2003, we met three major milestones that marked a turning point toward completion of this Project: the opening of the extension of Interstate 90, and the opening of Interstate 93 Northbound and Southbound Tunnels. The entire Project will reach substantial completion this fall.

I note these achievements because I understand that this Project is often in the news, and the news as reported is often not very encouraging. It is sometimes easy to forget all of the positive steps we have taken over the past three years: the significant strides that have been made to set this Project back on track, to keep faith with our federal and state stakeholders, and to deliver on the promise of an urban interstate highway system that, when completed, will be one of the marvels of this nation's long and sustained effort - begun by President Eisenhower over half a century ago - to create a national highway network second to none in the world. As you came to this chamber today, you no doubt noticed that the old elevated highway is gone. It is being replaced by the Rose Fitzgerald Kennedy Greenway, a magnificent public amenity above ground, and a modern efficient interstate highway underground.

Let me now address two specific areas that are in the forefront of our current Project oversight efforts. The first area concerns the issues related to leaks in the tunnels. The second concerns our efforts to establish a meaningful program for cost recovery.

With respect to the issue of tunnel leaks, the first thing I need to emphasize is that the tunnels are operating well, and they are safe. Earlier this month, we received a report from the Federal Highway Administration as part of that agency's independent and ongoing oversight of the Project. Federal Highway affirmed what I have been consistently saying: the tunnels are safe, and structurally sound. The slurry wall breach that occurred last September was an unacceptable result of poor workmanship and failed Project oversight. The responsible parties are being held accountable by the Turnpike Authority and they are undertaking to repair the slurry wall in an appropriate manner. After the September breach, I ordered an inspection of each of the two thousand slurry wall panels in the I-93 tunnels, and I initiated a weekly update on the inspections and the identified defects in order to keep the public and our overseers informed.

This thorough investigation of the entire slurry wall system was undertaken to ensure that any additional defects are identified and corrected. At our insistence, each contractor to date has taken responsibility for identified defects, and is correcting those defects at their own expense.

The FHWA report notes the difference between slurry wall defects and the various low-level leaks that are largely attributable to the fact that the Project is not yet complete. Federal Highway's report states, and I quote:

"The Project is adequately addressing the tunnel leaks. . . . We have confidence in the plan that is being followed by the Massachusetts Turnpike Authority and project staff, and we can expect that the work will be completed as offered by the Massachusetts Turnpike Authority."

Based on some media reports, public perception has been that the low level leaks at the roof/wall joints were "discovered" after the September 15th breach. This is false and has unfortunately confused two very different issues. On the evening news in the Boston area we routinely see video of the September 15th slurry wall breach and hear talk of hundreds of leaks, leaving the impression that there are hundreds of issues like the breach, which is not true. As I have said the two breaches and more minor slurry wall defects are absolutely unacceptable and the contractors must fix them at their own expense. With respect to low level leaks:

they are part of ongoing construction and contractors have been sealing them, doing injection grouting, for some four years. The FHWA Report's first finding states that chronic low level leaks were noted and expected to some degree due to the depth of the tunnel and the sealing of all leaks is expected to be completed by this summer.

I want each of you to be assured that I have insisted that Project staff and consultants spare no effort to ensure that all water infiltration issues are identified, and resolved to my satisfaction and the satisfaction of the Federal Highway Administration, as promptly as possible. We are insisting upon a high level of attention to detail and quality control, as expected by FHWA, in the resolution of these issues. And we will continue to be completely transparent with the public and our federal and state partners and overseers as we undertake this work. We are currently inspecting the entire tunnel system for possible points of water infiltration – something that is part of our historic ongoing inspection protocol. I have with me today Project Director Michael Lewis, the Turnpike's Chief Engineer Michael Swanson, his Deputy Chief Engineer Helmut Ernst and John Christian, the Technical Advisor to the Massachusetts Turnpike Authority Board of Directors joining me today in order to respond to more detailed questions that you may have on this subject. There are many misunderstandings and false assumptions associated with the number and nature of leaks that we will be happy to address in more detail.

The second area I would like to discuss today is our effort to take meaningful steps toward cost recovery. When I became Chairman, the Project had a weak record in recovering cost. I moved quickly to correct that. First, I hired the National Academy of Engineering to provide me with an objective study and report on the overall status of the Project. Next, I established an independent Cost Recovery Team to begin an unprecedented effort to identify areas ripe for cost recovery, and to take action. Led by a retired Massachusetts judge, this Cost Recovery Team built a strong foundation for this ongoing effort. The team's work was fully supported by the Turnpike Authority, and if I may quote from the Team's final report to FHWA:

"Massachusetts Turnpike Authority Chairman Amorello created the independent Team to hold the design professionals and construction managers of the Big Dig accountable for costs caused by their errors or omissions. He backed this up with a substantial budget which gave us the ability to hire world-renowned engineers to assess the work and uncover deficiencies; and to hire the legal fire-power to aggressively prosecute law suits."

Today, those cost recovery efforts are being ably led by our state's chief law enforcement officer, Attorney General Thomas Reilly. The transition from our Cost Recovery Team to the Attorney General this February was the right thing to do once a proper foundation was laid. I have come to recognize that with a Project of this size and notoriety, many will second guess these efforts. But this Project needs cost recovery oversight by an individual and an office of irrefutable independence, with the clout to back up their work. That is why it was so important to transfer the responsibility for cost recovery to the Massachusetts Attorney General. I believe that Attorney General Reilly's leadership and commitment will bear substantial fruit for the taxpayers and restore public confidence in our efforts to ensure that we are getting what we paid for. He has, and will continue to have, our full cooperation with his ongoing efforts.

Like each of you, I am a public servant and I take my responsibilities very seriously. The work we do will be judged in the short term by the motoring public, but it will also be judged by history, and by our children and grandchildren. I am keenly aware of the obligation to close out this Project in a way that ensures the delivery of a high quality product, and that captures full value for our public funding agencies. I am also aware of the generational responsibility we have to ensure that this Project is completed to a standard that will stand the test of time. I can assure you that we are working, and will continue to work, day and night to fulfill our responsibilities in this regard.

We are here to respond to any questions you may have, and I thank you for your courtesy in allowing me this opportunity to make these opening remarks.